



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 3775 Amended by House Medical, Military, Public, and Municipal Affairs on February 15, 2018
Author: Knight
Subject: Birth Certificates
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): A. Martin
Impact Date: March 6, 2018 - Updated for Additional Agency Response

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$236,000	\$57,600
Full-Time Equivalent Position(s)	1.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	Undetermined	Undetermined
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

The bill is expected to increase Other Funds expenditures by \$236,000 in FY 2018-19, and \$57,600 each year thereafter for the Department of Health and Environmental Control (DHEC) to implement a new electronic registry, conduct a public service campaign, and employ 1 additional FTE for processing birth records and associated forms. This fiscal impact statement has been updated based on a response from DHEC.

Explanation of Fiscal Impact

Updated for Additional Agency Response

Amended by House Medical, Military, Public, and Municipal Affairs on February 15, 2018

State Expenditure

The bill will allow a person twenty-one years of age or older who was born in South Carolina and whose original birth certificate was sealed due to adoption to receive an uncertified copy of that birth certificate and any evidence of the adoption held with the original record. Along with the original birth records, an adoptee may obtain medical history data and contact information for the adoptee’s biological parent, if any has been provided. DHEC is directed to develop a medical history form and a contact preference form, which must be provided to the biological parent upon request. Upon completion, the forms are filed with the state registrar and issued to the adoptee when the original birth certificate is provided. The bill becomes effective one year after approval by the governor and only applies to adoptions finalized after the effective date.

DHEC estimates non-recurring costs of \$100,000 for an electronic system maintaining the contact preference registry. DHEC anticipates radio announcements, print ads, and social media

presentations as part of the public service campaign to total \$70,400 in non-recurring expenditures. In addition, DHEC anticipates non-recurring costs of \$8,000 for specialty filing equipment. Estimates to non-recurring expenditures have been updated based on a response from DHEC.

DHEC reports that the Division of Vital Records processes an average of 1,500 adoptions each year. DHEC estimates that the bill would require 1 additional program assistant to process the new forms, create sealed files, complete searches, and issue non-certified copies of birth certificates and associated forms. Salary and fringe benefits for the additional FTE is expected to total \$41,000 per year. DHEC anticipates annual operating expenses for the new position will total \$16,600. Overall, this bill will increase Other Funds expenditures by \$236,000 in FY 2018-19, and \$57,600 each year thereafter. The expenditure impact has been updated based on a response from DHEC.

State Revenue

This bill is effective one year after approval by the governor and applies only to adoptions finalized after that date. Additionally, an individual must be at least twenty-one years of age or older to request the vital records searches and adoption birth certificates. Given these conditions, the Revenue and Fiscal Affairs Office does not anticipate a significant impact on revenue for approximately twenty years, when the adoptees reach age twenty-one or older. We are unable to determine the demand for these records. Therefore, the revenue impact to Other Funds is undetermined.

Local Expenditure

N/A

Local Revenue

N/A

Amended by House Medical, Military, Public, and Municipal Affairs on February 15, 2018

State Expenditure

The bill as amended would allow a person twenty-one years of age or older who was born in South Carolina and whose original birth certificate was sealed due to adoption to receive an uncertified copy of that birth certificate and any evidence of the adoption held with the original record. Along with the original birth records, an adoptee may obtain medical history data and contact information for the adoptee's biological parent, if any has been provided. DHEC is directed to develop a medical history form and a contact preference form which must be provided to the biological parent upon request. Upon completion, the forms are filed with the state registrar and issued to the adoptee when the original birth certificate is provided. The bill becomes effective one year after approval by the governor and only applies to adoptions finalized after the effective date.

DHEC estimates non-recurring costs of \$100,000 for an electronic system maintaining the contact preference registry. DHEC anticipates radio announcements, print ads, and social media presentations as part of the public service campaign to total \$70,400 in non-recurring expenditures. Assuming these activities would take place immediately upon approval, this bill is expected to increase Other Funds expenditures by \$170,400 in FY 2018-19.

DHEC reports that the Division of Vital Records processes an average of 1,500 adoptions each year. DHEC estimates that the bill would require 2 additional program assistants to process the new forms, create sealed files, complete searches, and issue non-certified copies of birth certificates and associated forms. Salary and fringe benefits for the 2 FTEs is expected to total \$93,083 per year. DHEC anticipates annual operating expenses for the new positions to total \$33,200. Non-recurring expenditures for workstations are expected to total \$8,000. This bill would not become effective until one year after approval by the governor, and only applies to adoptions finalized after the effective date. Therefore, we are assuming that the 2 FTEs will not be employed until FY 2019-20. Given that assumption, this bill will increase Other Funds expenditures by \$134,283 in FY 2019-20, and \$126,283 in FY 2020-21, and each year thereafter.

State Revenue

This bill is effective one year after approval by the governor and applies only to adoptions finalized after that date. Additionally, an individual must be at least twenty-one years of age or older to request the vital records searches and adoption birth certificates. Given these conditions, the Revenue and Fiscal Affairs Office does not anticipate a significant impact on revenue for approximately twenty years, when the adoptees reach age twenty-one or older. We are unable to determine the demand for these records. Therefore, the revenue impact to Other Funds is undetermined.

Local Expenditure

N/A

Local Revenue

N/A

Updated for Additional Agency Response Introduced February 16, 2017

State Expenditure

This bill allows a person twenty-one years of age or older who was born in South Carolina and whose original birth certificate was removed from county files because of an adoption or paternity determination to receive an uncertified copy of that birth certificate and any evidence of adoption or paternity determination held with the original record. The same procedures, fees, and waiting times applicable to non-adopted persons seeking copies of their birth certificates apply to birth record requests authorized by this bill.

Along with the original birth records, an adoptee may obtain medical history data and contact information for the adoptee's biological parent, if any has been provided. The Department of Health and Environmental Control (DHEC) is directed to develop a medical history form and a contact preference form, which a biological parent may request from the State Registrar at the biological parent's option and at any time. DHEC must maintain completed forms in a sealed envelope with the original birth records and issue them to the adoptee when the original birth certificate is provided. The contact preference form contains the biological parent's preference about contact by the adoptee. A biological parent may indicate a preference for contact, contact through an intermediary, or not to be contacted. The biological parent may update either form or both forms. The forms are private communications from the biological parent to the adoptee, and only DHEC staff authorized to process applications for adoptees original birth records may

process them. DHEC is required to conduct a public service campaign informing the public of the provisions of the bill, including the right of an adult adoptee to obtain a copy of their birth certificate and medical history, and the right of a biological parent to submit medical history information and complete a contact preference form. The bill is effective on January 1, 2018 for adoptions finalized after June 30, 2017, and on January 1, 2019 for adoptions finalized before July 1, 2017.

Department of Health and Environmental Control (DHEC). The department reports that the Division of Vital Records processes an average of 1,500 adoptions each year. The department estimates that the bill would require two additional program assistants to process the new forms, create sealed files, complete searches, and issue non-certified copies of birth certificates, medical history, and contact preference forms. The department indicates the new staff would need to be employed by November 1, 2017 so they can be trained and ready by the initial effective date of January 1, 2018. Based on this hire date, the expenditure impact for the salary, fringe benefits and operating expenses of the two FTEs would be \$72,826 in FY 2017-18. Of this amount, \$50,480 would be salary and fringe benefits and \$22,346 operating expenses. In addition, DHEC estimates FY 2017-18 non-recurring costs to be \$178,400 for an electronic system maintaining the contact preference registry (\$100,000), radio announcements, print ads, and social media presentations as part of the public service campaign (\$70,400), and specialty filing equipment (\$8,000). In total, FY 2017-18 expenditures are expected to be \$251,226. In FY 2018-19 and each succeeding year, the department would incur \$93,083 for a full year's salary and fringe benefits for the two FTEs and \$33,200 for associated operating expenses, for a total recurring expenditure impact of \$126,283. This impact statement is updated for information from the department regarding the date staff would be employed during the initial year of implementation.

State Revenue

The bill makes the same fees paid by non-adopted South Carolina born citizens seeking copies of their birth certificates applicable to requests by adoptees for uncertified copies of their original birth certificate. The fee for issuing a non-adopted citizen a birth certificate is \$12 for the records search and one certified copy.

The bill is effective on January 1, 2018 for adoptions finalized after June 30, 2017, but only adopted persons who are at least twenty-one years of age may request a copy of their original birth records. Because a person must be both 21 years of age or older and adopted after June 30 2017, the Revenue and Fiscal Affairs Office does not anticipate many requests for original birth records under this bill during FY 2017-18. Therefore, the revenue impact of this bill for FY 2017-18 is expected to be minimal, if any.

The bill is effective for all adoptions beginning January 1, 2019. DHEC indicates the agency processes an average of 1,500 adoption filings each year. Since all records for all years are available January 1, 2019, and a public awareness campaign is required, the number of requests could be significant initially and remain so for some time afterwards. There may also be multiple requests by the same adoptees over the years, because biological parents may update medical history and change contact preference at any time. This ability may prompt some adoptees to make repeated requests for their records in hopes of new information. Regardless, demand for adoptee records is unknown now. Therefore, the amount of Other Funds revenue generated to support the program is undetermined for FY 2017-18 and each year thereafter.

Local Expenditure

N/A

Local Revenue

N/A

Introduced February 16, 2017

State Expenditure

This bill allows a person twenty-one years of age or older who was born in South Carolina and whose original birth certificate was removed from county files because of an adoption or paternity determination to receive an uncertified copy of that birth certificate and any evidence of adoption or paternity determination held with the original record. The same procedures, fees, and waiting times applicable to non-adopted persons seeking copies of their birth certificates apply to birth record requests authorized by this bill.

Along with the original birth records, an adoptee may obtain medical history data and contact information for the adoptee's biological parent, if any has been provided. The Department of Health and Environmental Control (DHEC) is directed to develop a medical history form and a contact preference form, which a biological parent may request from the State Registrar at the biological parent's option and at any time. DHEC must maintain completed forms in a sealed envelope with the original birth records and issue them to the adoptee when the original birth certificate is provided. The contact preference form contains the biological parent's preference about contact by the adoptee. A biological parent may indicate a preference for contact, contact through an intermediary, or not to be contacted. The biological parent may update either form or both forms. The forms are private communications from the biological parent to the adoptee, and only DHEC staff authorized to process applications for adoptees original birth records may process them. DHEC is required to conduct a public service campaign informing the public of the provisions of the bill, including the right of an adult adoptee to obtain a copy of their birth certificate and medical history, and the right of a biological parent to submit medical history information and complete a contact preference form. The bill is effective on January 1, 2018 for adoptions finalized after June 30, 2017, and on January 1, 2019 for adoptions finalized before July 1, 2017.

Department of Health and Environmental Control (DHEC). The department reports that the Division of Vital Records processes an average of 1,500 adoptions each year. The department estimates that the bill would require two additional program assistants to process the new forms, create sealed files, complete searches, and issue non-certified copies of birth certificates, medical history, and contact preference forms. Salaries and fringes are estimated at \$93,083 and operating expenses are estimated at \$33,200. In addition, DHEC estimates first year non-recurring costs to be \$178,400 for an electronic system maintaining the contact preference registry (\$100,000), radio announcements, print ads, and social media presentations as part of the public service campaign (\$70,400), and specialty filing equipment (\$8,000). In summary, first year expenditures are estimated at \$304,683. Recurring annual expenditures in succeeding fiscal years are estimated at \$126,283.

State Revenue

The bill makes the same fees paid by non-adopted South Carolina born citizens seeking copies of their birth certificates applicable to requests by adoptees for uncertified copies of their original birth certificate. The fee for issuing a non-adopted citizen a birth certificate is \$12 for the records search and one certified copy. A \$15 special filing fee is added when a certificate is amended.

The bill is effective on January 1, 2018 for adoptions finalized after June 30, 2017, but only adopted persons who are at least twenty-one years of age may request a copy of their original birth records. Because a person must be both 21 years of age or older and adopted after June 30 2017, the Revenue and Fiscal Affairs Office does not anticipate many requests for original birth records under this bill during FY 2017-18. Therefore, the revenue impact of this bill for FY 2017-18 is expected to be minimal, if any.

The bill is effective for all adoptions beginning January 1, 2019. DHEC indicates the agency processes an average of 1,500 adoption filings each year. Since all records for all years are available January 1, 2019, and a public awareness campaign is required, the number of requests could be significant initially and remain so for some time afterwards. There may also be multiple requests by the same adoptees over the years, because biological parents may update medical history and change contact preference at any time. This ability may prompt some adoptees to make repeated requests for their records in hopes of new information. Regardless, demand for adoptee records is unknown now. Therefore, the amount of Other Fund revenue generated to support the program is undetermined for FY 2017-18 and each year thereafter.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director